

7 October 1958

MEMORANDUM FOR: Chiefs of Support, DD/P Staffs
and Operating Divisions

SUBJECT: Cost Experiment on Administrative Supplies

REFERENCE: Financial Management Improvement Instruction No. 2,
dated 22 September 1958

1. Financial Management Improvement Instruction No. 2 was prepared for general Agency use and is subject to appropriate modification in its application to DD/P organizational components. The principal purpose of the Instruction as it affects DD/P is to record the type and dollar value of administrative supplies drawn by each major operating component (Divisions and Staffs) during a given test period. It is contemplated that this test period will cover approximately three months. The factual data obtained during that period will be utilized as a basis for the equitable distribution of the cost of administrative supplies under a cost-based system of budgeting which all agencies of the U.S. Government are required to adopt.

2. The requisition form attached to the Instruction referenced above may be used at the convenience of the component drawing administrative supplies but its use is not mandatory. Any paper, either typed or handwritten, which contains a description of the required articles, the quantity desired, identification of the organizational component, and signature of the person drawing the supplies, is sufficient. It need not contain a requisition number. Such a document should be submitted to the stock room in an original only. File copies should not be prepared unless the organizational component drawing supplies wishes to take the opportunity afforded by this test procedure to check upon internal management practices relative to administrative supplies. Also, there is no need for approval of the requisition form (other than the signature of the person drawing the supplies at the stock room) unless the requisitioning component desires to effect some internal control.

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